

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish Policies and Cost Recovery Mechanisms for Generation Procurement and Renewable Resource Development.

Rulemaking 01-10-024
(Filed October 25, 2001)

Application of San Diego Gas & Electric Company (U 902 E) For Approval to Enter into a New Electric Resource Contract with the San Diego County Water Authority and For Approval of the Cost Recovery and Ratemaking Mechanisms Associated Therewith.

Application 04-04-042
(Filed April 2, 2004)

**CHIEF ADMINISTRATIVE LAW JUDGE'S RULING
REMOVING MOTION FROM CONSIDERATION IN RULEMAKING 01-01-024
AND MOVING IT TO NEW APPLICATION DOCKET**

On April 1, 2004, San Diego Gas & Electric Company (SDG&E) filed its motion in Rulemaking (R.) 01-10-024 seeking approval to enter into a new electric resource contract with the San Diego County Water Authority and for approval of the cost recovery and ratemaking mechanisms associated therewith. According to the schedule set forth in the motion, on April 30, 2004, three parties filed formal responses to SDG&E's motion.¹ No other responses were filed and the pleading cycle is now closed.

¹ Responses were filed by the Office of Ratepayer Advocates (ORA), the Utility Reform Network (TURN), and Pacific Gas and Electric Company (PG&E).

In the interest of effective case management, the Commission is making every effort to close R.01-10-024 as soon as possible. Indeed, it has opened a successor proceeding (R.04-04-003) that will serve as the forum to adopt long-term procurement plans for the state's investor owned utilities by the end of calendar year 2004. That new proceeding must be closely managed in the interests of timely decision making. Given these facts, it is clear that SDG&E's request for approval of a new electric resource contract with the San Diego County Water Authority should not be considered in either of these procurement-related dockets at this time. Instead of reviewing the matter as a motion in one of these existing dockets, the Commission will assign the matter its own application number in order to facilitate timely review of San Diego's request. This does not mean that the matter will be viewed in isolation from the overall statewide procurement situation, but merely that its resolution will be facilitated at this particular time by its consideration as a separate application.

Since SDG&E filed this motion in R.01-10-024, a ratesetting proceeding, I will recommend that the Commission preliminarily categorized the new application as ratesetting, and given the tenor of the responses, I will recommend that a hearing is not required at this time.²

IT IS RULED that:

1. The motion of San Diego Gas & Electric Company (SDG&E) seeking approval to enter into a new electric resource contract with the San Diego County Water Authority and for approval of the cost recovery and ratemaking mechanisms associated therewith (which is converted into an application), as

² These preliminary determinations will be made by the Commission at its next regularly scheduled business meeting.

well as the three formal responses noted previously, are removed from Rulemaking (R.) 01-10-024, and will be considered in Application (A.) 04-04-042.

2. The official filing date of A.04-04-042 is April 2, 2004, and the official filing date of the three responses is April 30, 2004. The pleading cycle is closed.

3. A copy of this ruling shall be served on the service lists for R.01-10-024 and R.04-04-003, but the new application is not otherwise consolidated with these two proceedings.

4. The service list for this new application shall include SDG&E and the three parties who filed responses to its motion: the Office of Ratepayer Advocates, the Utility Reform Network, and Pacific Gas and Electric Company. Others who wish to be added to the service list for the application shall inform the Commission's Process Office of that fact within ten (10) working days of the date of this ruling.

5. Within three (3) working days of the date of this ruling, SDG&E shall contact the Commission's Docket Office staff (VEN@cpuc.ca.gov) to ensure that it takes all necessary steps to bring its motion into compliance with the Rules of Practice and Procedure relative to formal applications.

Dated May 18, 2004, at San Francisco, California.

/s/ ANGELA K. MINKIN by CAROL BROWN

Angela K. Minkin, Chief
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Chief Administrative Law Judge's Ruling Removing Motion From Consideration in Rulemaking 01-01-024 and Moving it to New Application Docket on all parties of record and in Rulemaking 04-04-003 in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail.

Dated May 18, 2004, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.